GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1016
ANSWERED ON:29.07.2005
CREDIT POLICY
Patil Shri Balasaheb Vikhe

Will the Minister of FINANCE be pleased to state:

(a) the salient features of the credit policy for the year 2005-06;

(b) whether the bank rate has started showing increasing trend resulting in increased rates of interest; and

(c) the steps the Government propose to take to check the interest rates particularly in Agriculture and Priority sector?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (Shri S. S. Palanimanickam)

(a) : Salient features of the Annual Policy Statement for the year 2005-06 as announced by he Reserve Bank of India on April 28, 2005 are as follows :

i) Bank rate kept unchanged at 6.0 percent;
ii) Repo Rate continued to be linked to the reverse repo rate;
iii) Gasih reserve ratio kept unchanged at 5.0 percent;
iv) No change in interest rate regulations;

Details of development and regulatory policies are available on the RBI website at www.rbi.org.in.

(b) & (c) : In the first quarter review of the Annual Policy for the year 2005-06 announced on 26th July 2005 by the Reserve Bank of India, the overall policy stance including the interest rates have been kept unchanged.